

IB-05-72

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APPLICATION FOR SATELLITE SPACE AND EARTH STATION AUTHORIZATIONS FOR TRANSFER OF CONTROL OR ASSIGNMENT FCC 312 MAIN FORM FOR OFFICIAL USE ONLY	FCC Use Only
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APPLICANT INFORMATION

Enter a description of this application to identify it on the main menu:

Space Station Assignment to Operate Permanently on 11 Channels and by STA on 2 Channels at 61.5

1-8. Legal Name of Applicant			
Name:	EchoStar Satellite L.L.C.	Phone Number:	303-723-1000
DBA Name:		Fax Number:	303-723-1699
Street:	9601 South Meridian Blvd.	E-Mail:	
City:	Englewood	State:	CO
Country:	USA	Zipcode:	80112
Attention:	David K Moskowitz		

9-16. Name of Contact Representative (If other than applicant)

Name:	Philip L. Malet	Phone Number:	202-429-6239
Company:	Steptoe & Johnson LLP	Fax Number:	202-429-3902
Street:	1330 Connecticut Avenue, NW	E-Mail:	pmalet@steptoe.com
City:	Washington	State:	DC
Country:	USA	Zipcode:	20036-
Contact Title:		Relationship:	Legal Counsel

CLASSIFICATION OF FILING

17. Choose the button next to the classification that applies to this filing for both questions a. and b. Choose only one for 17a and only one for 17b.

- ☐ a1. Earth Station
☒ a2. Space Station

- (N/A) b1. Application for License of New Station
(N/A) b2. Application for Registration of New Domestic Receive-Only Station
(N/A) b3. Amendment to a Pending Application
(N/A) b4. Modification of License or Registration
☒ b5. Assignment of License or Registration
☐ b6. Transfer of Control of License or Registration
(N/A) b7. Notification of Minor Modification
(N/A) b8. Application for License of New Receive-Only Station Using Non-U.S. Licensed Satellite
(N/A) b9. Letter of Intent to Use Non-U.S. Licensed Satellite to Provide Service in the United States
(N/A) b10. Other (Please specify)

<p>17c. Is a fee submitted with this application?</p> <p><input checked="" type="radio"/> If Yes, complete and attach FCC Form 159. If No, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114).</p> <p><input type="radio"/> Governmental Entity <input type="radio"/> Noncommercial educational licensee</p> <p><input type="radio"/> Other (please explain):</p>					
<p>17d.</p> <table> <tr> <td>Fee Classification A BFY – Space Station (Geostationary)</td> <td>Quantity 1 (First Station)</td> </tr> <tr> <td>Fee Classification B</td> <td>Quantity 0 (Each Additional Station)</td> </tr> </table>		Fee Classification A BFY – Space Station (Geostationary)	Quantity 1 (First Station)	Fee Classification B	Quantity 0 (Each Additional Station)
Fee Classification A BFY – Space Station (Geostationary)	Quantity 1 (First Station)				
Fee Classification B	Quantity 0 (Each Additional Station)				
<p>18. If this filing is in reference to an existing station, enter:</p> <p>(a) Call sign of station: Not Applicable</p>	<p>19. If this filing is an amendment to a pending application enter:</p> <table> <tr> <td>(a) Date pending application was filed:</td> <td>(b) File number of pending application:</td> </tr> <tr> <td>Not Applicable</td> <td>Not Applicable</td> </tr> </table>	(a) Date pending application was filed:	(b) File number of pending application:	Not Applicable	Not Applicable
(a) Date pending application was filed:	(b) File number of pending application:				
Not Applicable	Not Applicable				

TYPE OF SERVICE

20. NATURE OF SERVICE: This filing is for an authorization to provide or use the following type(s) of service(s): Select all that apply:

- ☐ a. Fixed Satellite
- ☐ b. Mobile Satellite
- ☐ c. Radiodetermination Satellite
- ☐ d. Earth Exploration Satellite
- ☐ e. Direct to Home Fixed Satellite
- ☐ f. Digital Audio Radio Service
- ☒ g. Other (please specify) Direct Broadcast Satellite Service

21. STATUS: Choose the button next to the applicable status. Choose only one.

- ☐ Common Carrier ☒ Non-Common Carrier

22. If earth station applicant, check all that apply.

- ☐ Using U.S. licensed satellites
- ☐ Using Non-U.S. licensed satellites

23. If applicant is providing INTERNATIONAL COMMON CARRIER service, see instructions regarding Sec. 214 filings. Choose one. Are these facilities:

- ☐ Connected to a Public Switched Network ☐ Not connected to a Public Switched Network ☒ N/A

24. FREQUENCY BAND(S): Place an "X" in the box(es) next to all applicable frequency band(s).

- ☐ a. C-Band (4/6 GHz) ☐ b. Ku-Band (12/14 GHz)
 - ☒ c. Other (Please specify upper and lower frequencies in MHz.)
- Frequency Lower: 12200 Frequency Upper: 17800

TYPE OF STATION

25. CLASS OF STATION: Choose the button next to the class of station that applies. Choose only one.

- ☐ a. Fixed Earth Station
- ☐ b. Temporary-Fixed Earth Station
- ☐ c. 12/14 GHz VSAT Network
- ☐ d. Mobile Earth Station
- ☒ e. Geostationary Space Station
- ☐ f. Non-Geostationary Space Station
- ☐ g. Other (please specify)

26. TYPE OF EARTH STATION FACILITY: Choose only one.

- ☐ Transmit/Receive ☐ Transmit-Only ☐ Receive-Only ☒ N/A

PURPOSE OF MODIFICATION

27. The purpose of this proposed modification is to: (Place an "X" in the box(es) next to all that apply.)

Not Applicable

ENVIRONMENTAL POLICY

28. Would a Commission grant of any proposal in this application or amendment have a significant environmental impact as defined by 47 CFR 1.1307? If YES, submit the statement as required by Sections 1.1308 and 1.1311 of the Commission's rules, 47 C.F.R. 1.1308 and 1.1311, as an exhibit to this application. A Radiation Hazard Study must accompany all applications for new transmitting facilities, major modifications, or major amendments.

☐ Yes ☒ No

ALIEN OWNERSHIP Earth station applicants not proposing to provide broadcast, common carrier, aeronautical en route or aeronautical fixed radio station services are not required to respond to Items 30-34.

29. Is the applicant a foreign government or the representative of any foreign government?

☐ Yes ☒ No ☐ N/A

30. Is the applicant an alien or the representative of an alien?

☐ Yes ☒ No
☐ N/A

31. Is the applicant a corporation organized under the laws of any foreign government?

☐ Yes ☒ No
☐ N/A

32. Is the applicant a corporation of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country?

☐ Yes ☒ No
☐ N/A

33. Is the applicant a corporation directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country?

☐ Yes ☒ No
☐ N/A

34. If any answer to questions 29, 30, 31, 32 and/or 33 is Yes, attach as an exhibit an identification of the aliens or foreign entities, their nationality, their relationship to the applicant, and the percentage of stock they own or vote.

BASIC QUALIFICATIONS

35. Does the Applicant request any waivers or exemptions from any of the Commission's Rules?
If Yes, attach as an exhibit, copies of the requests for waivers or exceptions with supporting documents.

☐ Yes ☒ No

36. Has the applicant or any party to this application or amendment had any FCC station authorization or license revoked or had any application for an initial, modification or renewal of FCC station authorization, license, or construction permit denied by the Commission? If Yes, attach as an exhibit, an explanation of circumstances.

☒ Yes ☐ No
Q36

<p>37. Has the applicant, or any party to this application or amendment, or any party directly or indirectly controlling the applicant ever been convicted of a felony by any state or federal court? If Yes, attach as an exhibit, an explanation of circumstances.</p>	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>
<p>38. Has any court finally adjudged the applicant, or any person directly or indirectly controlling the applicant, guilty of unlawfully monopolizing or attempting unlawfully to monopolize radio communication, directly or indirectly, through control of manufacture or sale of radio apparatus, exclusive traffic arrangement or any other means or unfair methods of competition? If Yes, attach as an exhibit, an explanation of circumstances</p>	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>
<p>39. Is the applicant, or any person directly or indirectly controlling the applicant, currently a party in any pending matter referred to in the preceding two items? If yes, attach as an exhibit, an explanation of the circumstances.</p>	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>
<p>40. If the applicant is a corporation and is applying for a space station license, attach as an exhibit the names, address, and citizenship of those stockholders owning a record and/or voting 10 percent or more of the Filer's voting stock and the percentages so held. In the case of fiduciary control, indicate the beneficiary(ies) or class of beneficiaries. Also list the names and addresses of the officers and directors of the Filer.</p>	<p>Q40</p>
<p>41. By checking Yes, the undersigned certifies, that neither applicant nor any other party to the application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Act of 1988, 21 U.S.C. Section 862, because of a conviction for possession or distribution of a controlled substance. See 47 CFR 1.2002(b) for the meaning of "party to the application" for these purposes.</p>	<p><input checked="" type="radio"/> Yes <input type="radio"/> No</p>

42a. Does the applicant intend to use a non-U.S. licensed satellite to provide service in the United States? If Yes, answer 42b and attach an exhibit providing the information specified in 47 C.F.R. 25.137, as appropriate. If No, proceed to question 43.

☐ Yes ☒ No

42b. What administration has licensed or is in the process of licensing the space station? If no license will be issued, what administration has coordinated or is in the process of coordinating the space station? N/A

43. Description. (Summarize the nature of the application and the services to be provided).

(If the complete description does not appear in this box, please go to the end of the form to view it in its entirety.)

By this Application, EchoStar seeks approval for the assignment of the License and authorization to operate permanently on 11 channels from 1-21 (odd) and by STA on channels 23 & 24 at 61.5 W pursuant to asset purchase agreements encompassing the purchase of the Rainbow 1 Space

CERTIFICATION

The Applicant waives any claim to the use of any particular frequency or of the electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests an authorization in accordance with this application. The applicant certifies that grant of this application would not cause the applicant to be in violation of the spectrum aggregation limit in 47 CFR Part 20. All statements made in exhibits are a material part hereof and are incorporated herein as if set out in full in this application. The undersigned, individually and for the applicant, hereby certifies that all statements made in this application and in all attached exhibits are true, complete and correct to the best of his or her knowledge and belief, and are made in good faith.

44. Applicant is a (an): (Choose the button next to applicable response.)

- ☐ Individual
- ☐ Unincorporated Association
- ☐ Partnership
- ☒ Corporation
- ☐ Governmental Entity
- ☐ Other (please specify)

45. Name of Person Signing
David K. Moskowitz

46. Title of Person Signing
Executive Vice President and General Counsel

47. Please supply any need attachments.

Attachment 1:

Attachment 2:

Attachment 3:

**WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND / OR IMPRISONMENT
(U.S. Code, Title 18, Section 1001), AND/OR REVOCATION OF ANY STATION AUTHORIZATION
(U.S. Code, Title 47, Section 312(a)(1)), AND/OR FORFEITURE (U.S. Code, Title 47, Section 503).**

SATELLITE EARTH STATION AUTHORIZATIONS

FCC Form 312 – Schedule A
FOR OFFICIAL USE ONLY

Select one of the following

☐ **CONSENT TO TRANSFER OF CONTROL**

☒ **CONSENT TO ASSIGNMENT OF LICENSE**

☐ **NOTIFICATION OF TRANSFER OF CONTROL OF RECEIVE
ONLY REGISTRATION**

☐ **NOTIFICATION OF ASSIGNMENT OF RECEIVE ONLY
REGISTRATION**

A1. Name of Licensee (as shown on FCC 312 – Main Form)

Name:	Rainbow DBS Company LLC	Phone Number:	516-803-1002
DBA Name:		Fax Number:	516-803-2577
Street:	200 Jericho Quadrangle	E-Mail:	
City:	Jericho	State:	NY
Country:	USA	Zipcode:	11753 -
Attention:	James L. Dolan		

A8. List Callsign(s) of station(s) being assigned or transferred

Callsign:	Callsign:	Callsign:	Callsign:	Callsign:	Callsign:	Callsign:	Callsign:
DBS8701							

A9. No. of station(s) listed

1

A10. Name of Transferor/ Assignor

Name:	Rainbow DBS Company LLC	Phone Number:	516-803-1002
Company:		Fax Number:	516-803-2577
Street:	200 Jericho Quadrangle	E-Mail:	
City:	Jericho	State:	NY
Country:	USA	Zipcode:	11753 -
Contact Title:	President and CEO	Relationship:	

A15. Name of Transferee/ Assignee

Name:	EchoStar Satellite L.L.C.	Phone Number:	303-723-1000
DBA Name:		Fax Number:	303-723-1699
Street:	9601 South Meridian Blvd.	E-Mail:	
City:	Englewood	State:	CO
Country:	USA	Zipcode:	80112 -
Attention:	David K Moskowitz		

A20. If these facilities are licensed, is the transferee / assignee directly or indirectly controlled by any other entity?
 If yes, attach as Exhibit E, a statement (including organizational diagrams where appropriate) which fully and completely identifies the nature and extent of control including: (1) the name, address, citizenship, and primary business of the controlling entity and any intermediate subsidiaries or parties, and (2) the names, addresses, citizenship, and the percentages of voting and equity stock of those stockholders holding 10 percent or more of the controlling corporation's voting stock.

☒ Yes
☐ No
☐ N/A

A21. If these facilities are licensed, attach as Exhibit F, a complete statement setting forth the facts which show how the assignment or transfer will serve the public interest.

CERTIFICATION

1. The undersigned, individually and for licensee, certifies that all attached exhibits pertain to Schedule A and all statement made in Schedule A of this application are true, complete and correct to the best of his/her knowledge and belief. The undersigned also certifies that any contracts or other instruments submitted herewith are complete and constitute the full agreement.
 2. The undersigned represents that stock will not be delivered and that control will not be transferred until the Commission's consent has been received, but that transfer of control or assignment of license will be completed within 60 days of Commission consent. The undersigned also acknowledges that the Commission must be notified by letter within 30 days of consummation.

A22. Printed Name of Licensee (Must agree with A1) Rainbow DBS Company LLC	A24. Title (Office Held by Person Signing) President and CEO
A26. Printed Name of License Transferor / Assignor (Must agree with A10) Rainbow DBS Company LLC	A28. Title (Office Held by Person Signing) President and CEO
A26. Printed Name of License Transferee / Assignee (Must agree with A15) EchoStar Satellite L.L.C.	A28. Title (Office Held by Person Signing) Executive Vice President and General Counsel

FCC NOTICE REQUIRED BY THE PAPERWORK REDUCTION ACT

The public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERM, Paperwork Reduction Project (3060-0678), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to jboley@fcc.gov. PLEASE DO NOT SEND COMPLETED FORMS TO THIS ADDRESS.

Remember – You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0678.

THE FOREGOING NOTICE IS REQUIRED BY THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

43. Description. (Summarize the nature of the application and the services to be provided).

By this Application, EchoStar seeks approval for the assignment of the License and authorization to operate permanently on 11 channels from 1-21 (odd) and by STA on channels 23 & 24 at 61.5 W pursuant to asset purchase agreements encompassing the purchase of the Rainbow 1 Space Station and the Blackhawk Earth Station from Rainbow DBS Company LLC. See attached Application for Consent to Assignment.

Response to Question 36

In a Memorandum Opinion and Order released May 16, 2002, the Satellite Division of the International Bureau cancelled two conditional construction permits held by EchoStar affiliates for 22 channels at the 175° W.L. orbital location. *See In the Matter of EchoStar Satellite Corporation, Directsat Corporation, Direct Broadcasting Satellite Corporation, Consolidated Request for Additional Time to Commence Operation*, Memorandum Opinion and Order, DA 02-1164 (rel. May 16, 2002).

By Order released July 1, 2002, the International Bureau cancelled EchoStar's license for a Ka-band satellite system and dismissed a related modification application filed by EchoStar. *See In the Matter of EchoStar Satellite Corporation; Application for Authority to Construct, Launch, and Operate a Ka-band Satellite System in the Fixed-Satellite Service*, Memorandum Opinion and Order, DA 02-1534 (rel. July 1, 2002). On November 8, 2002, the International Bureau reinstated EchoStar's license for a Ka-band system as well as the related modification application. *See In the Matter of EchoStar Satellite Corporation; Application for Authority to Construct, Launch, and Operate a Ka-band Satellite System in the Fixed-Satellite Service*, Memorandum Opinion and Order, DA 02-3085 (rel. Nov. 8, 2002).

In a Memorandum Opinion and Order released April 29, 2004, the International Bureau denied, in part, four applications filed by EchoStar to operate GSO FSS satellites using the Ka and/or Extended Ku-bands at the 83° W.L., 105° W.L., 113° W.L., and 121° W.L orbital locations. *See In the Matter of EchoStar Satellite LLC, Applications for Authority to Construct, Launch, and Operate Geostationary Satellites in the Fixed-Satellite Service Using the Ka and/or Extended Ku Bands at the 83° W.L., 105° W.L., 113° W.L., and 121° W.L orbital locations*, Memorandum Opinion and Order, DA 04-1167 (rel. Apr. 29, 2004). EchoStar has petitioned for reconsideration of this decision.

In a Memorandum Opinion and Order released August 3, 2004, the International Bureau declared null and void the space station authorization held by VisionStar, an EchoStar affiliate, for use of the Ka-band at the 113° W.L. orbital location. *See VisionStar, Inc., Application for Modification of Authority to Construct, Launch and Operate a Ka-Band Satellite System in the Fixed Satellite Service*, Memorandum Opinion and Order, DA 04-2449 (rel. Aug. 3, 2004).

Response to Question 40

OWNERSHIP AND CORPORATE
OFFICERS AND DIRECTORS

OWNERSHIP

EchoStar Satellite L.L.C. (a Colorado limited liability company) is an indirect, wholly-owned subsidiary of EchoStar Communications Corporation (a Nevada corporation). The stockholders owning of record and/or voting 10 percent or more of the voting stock of EchoStar Communications Corporation include:

<u>Ownership Interest</u>	<u>Citizenship</u>	<u>Approx. Equity Interest¹</u>
Charles W. Ergen ² Chairman and CEO EchoStar Communications Corporation 9601 South Meridian Blvd. Englewood, CO 80112	USA	53%
Fidelity Management and Research Corporation 82 Devonshire Street Boston, MA 02109	USA (Massachusetts corporation)	17%

¹ As of January 25, 2005. Mr. Ergen and Fidelity Management and Research Corporation have an approximately 92% and 1% voting interest, respectively, in EchoStar Communications Corporation.

² Includes both Class A common and Class B common stock ownership. Class B common stock is owned through a family trust.

CORPORATE OFFICERS AND DIRECTORS³

EchoStar Communications Corporation

Executive Officers:

Charles W. Ergen - Chairman and Chief Executive Officer
James DeFranco - Executive Vice President
Steven B. Schaver - President - EchoStar International Corporation
David K. Moskowitz - Executive Vice President, General Counsel and Secretary
Mark W. Jackson - President - EchoStar Technologies Corporation
David J. Rayner - Senior Vice President and Chief Financial Officer
Michael Kelly - Executive Vice President - DISH Network Service, L.L.C. and Customer
Michael Schwimmer - Executive Vice President of Marketing and Programming
Service
O. Nolan Daines - Senior Vice President of Broadband

Board of Directors:

Charles W. Ergen - Chairman
Steven R. Goodbarn
James DeFranco
David K. Moskowitz
Michael T. Dugan
Cantey M. Ergen
Raymond L. Friedlob
C. Michael Schroeder

³ The address for all officers and directors of EchoStar Communications Corporation and EchoStar Satellite L.L.C. is 9601 South Meridian Blvd., Englewood, CO 80112.

EchoStar Satellite L.L.C.

Executive Officers:

Charles W. Ergen: President and Chief Executive Officer

James DeFranco: Executive Vice President

David K. Moskowitz: Executive Vice President, General Counsel and Secretary

Board of Directors:

Charles W. Ergen - Chairman

James DeFranco

David K. Moskowitz

EXHIBIT E**RESPONSE TO QUESTION A.20****OWNERSHIP OF ASSIGNEE****1. Name, address, citizenship and primary business of controlling and intermediate entities**

EchoStar Satellite L.L.C. ("ESLLC") is wholly owned by EchoStar DBS Corporation ("EDBS"), which in turn is a wholly owned subsidiary of EchoStar Orbital Corporation ("EOC"). EOC is wholly-owned by EchoStar Communications Corporation ("ECC"). ECC is controlled by Charles W. Ergen, as described below.

The principal place of business of all four companies and of Charles W. Ergen is:

9601 South Meridian Blvd.
Englewood, CO 80112

EDBSC and EOC are Colorado corporations and ECC is a Nevada corporation. ESLLC is a limited liability company under Colorado law. Each of these entities' principal business is the provision of telecommunications services, including Direct Broadcast Satellite ("DBS") services.

2. Name, address, citizenship and percentage holdings of all 10%+ stockholders of the controlling corporation

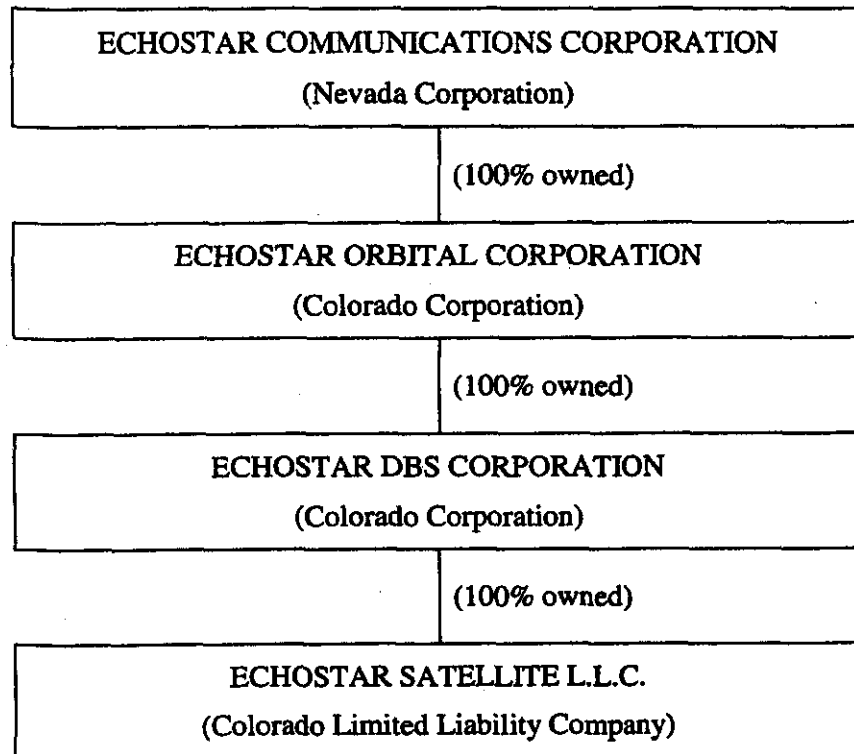
<u>Ownership Interest</u>	<u>Citizenship</u>	<u>Approx. Equity Interest¹</u>
Charles W. Ergen ² 9601 South Meridian Blvd. Englewood, CO 80112	USA	53%
Fidelity Management and Research Corporation 82 Devonshire Street Boston, MA 02109	USA (Massachusetts corporation)	17%

¹ As of January 25, 2005. Mr. Ergen and Fidelity Management and Research Corporation have an approximately 92% and 1% voting interest, respectively, in EchoStar Communications Corporation.

² Includes both Class A common and Class B common stock ownership. Class B common stock is owned through a family trust.

CORPORATE OWNERSHIP

ECHOSTAR SATELLITE OPERATING CORPORATION



IB File No. SAT-STA-20030623-00122
(renewals pending: SAT-STA-20040319-
00081; and SAT-STA-20040924-00191)

² See File No. SAT-STA-20030623-00122 (renewals pending: SAT-STA-20040319-00081; and SAT-STA-20040924-00191).

the assignment of the associated earth station facilities licensed to Rainbow DBS at the Black Hawk site in Rapid City, South Dakota.³ As described in greater detail below, the requested assignments of these licenses comply with the requirements of the Communications Act of 1934, as amended, all other applicable statutes, and the Commission's Rules and policies. The Applicants urge the Commission to promptly grant this Application as the proposed transaction will serve the public interest, convenience and necessity by, among other matters, promoting competition in the Multichannel Video Programming Distribution ("MVPD") market.

I. BACKGROUND

A. *Description of the Assignor and Assignee*

1. Assignor

Rainbow DBS, a limited liability company organized under the laws of Delaware, is an indirect, wholly-owned subsidiary of Cablevision Systems Corporation ("Cablevision"). Since October 15, 2003, Rainbow DBS has been providing MVPD services marketed under its VOOMsm brand on a subscription basis to consumers over its authorized DBS channels on the Rainbow 1 satellite. Rainbow DBS has offered consumers up to 39 high definition video channels and 88 standard definition video channels using its proprietary receivers. Despite Cablevision's expertise in programming and program distribution, the VOOM service has not been a commercial success. As of September 30, 2004, Rainbow DBS had approximately 26,000 activated VOOM customers. Since the service was launched through September 2004, approximately 39 percent of the customers who had activated the VOOM service subsequently terminated the service or were 90 days or more past due in payment. The churn rate for the service has also been high. In August and September, 2004, the churn rates were 16 percent and

³ File No. SES-LIC-20020913-01555.

13 percent respectively when accounts that were 90 days or more past due are included. In 2003, Rainbow DBS had not produced any revenues and incurred operating expenses of \$57.7 million. For the nine months ended September 30, 2004, Rainbow DBS reported net revenues of \$9.6 million, primarily resulting from programming service fees, equipment rental fees and equipment sales, and operating losses of \$211.6 million.

2. Assignee

EchoStar, a limited liability company organized under the laws of Colorado, through its DISH Networktm brand, is a leading U.S. provider of advanced digital television services. DISH Network's services include hundreds of video and audio channels, interactive TV, HDTV, sports and international programming, together with professional installation and 24-hour customer service. EchoStar has also been a leader for 25 years in satellite TV equipment sales and support worldwide.

EchoStar launched its first satellite in December 1995, and began service soon thereafter.⁴ EchoStar currently owns and operates nine in-orbit satellites located in seven orbital positions, as well as major uplink facilities in Cheyenne, Wyoming and Gilbert, Arizona. EchoStar has become the nation's second largest DBS provider with more than 10.4 million U.S. subscribers. EchoStar provides satellite-delivered programming, including local broadcast channels in 152 DMAs in all 50 states and the District of Columbia.

B. Description of the Proposed Transaction

In May 2003, Cablevision announced that its board of directors had approved a plan to pursue the spin off of Rainbow DBS and other Cablevision businesses. At that time, it

⁴ See *EchoStar Satellite Corporation*, 7 FCC Rcd. 1765 (1992); *EchoStar Satellite Corporation*, 11 FCC Rcd. 3015, 3015 (Int'l Bur. 1996).